

**MARICOPA COUNTY BOARD OF SUPERVISORS MINUTE BOOK**

**INFORMAL SESSION  
July 23, 2007**

The Board of Supervisors of Maricopa County Arizona convened in Informal Session at 10:00 a.m., July 23, 2007, in the Board of Supervisors' Conference Room, 301 W. Jefferson, Phoenix, Arizona, with the following members present: Andrew Kunasek, Vice Chairman, District 3; Don Stapley, District 2; and Mary Rose Wilcox, District 5. Absent: Fulton Brock, Chairman, District 1 and Max W. Wilson, District 4. Also present: Fran McCarroll, Clerk of the Board; Liz Evans, Minutes Coordinator; David Smith, County Manager; Victoria Mangiapane, Deputy County Attorney. Votes of the Members will be recorded as follows: aye-nay-absent-abstain.

**BIANNUAL REPORT ON EMPLOYEE COMPENSATION**

Item: First biannual report presented to the Board on Maricopa County employee compensation, recruitment, and retention. This presentation will provide data on employee recruitment and retention for FY 2006-07, as well as the employment outlook for FY 2007-08. (C4908003M00) (ADM3300)

Sandi Wilson, Deputy County Manager

Shawn Nau, Director, General Government

Shawn Nau commenced the presentation by saying that this particular report is focused on employee turnover, but the intent is to report on employee compensation about every six months. Mr. Nau said that in the future, the plan will focus on retention and recruitment issues, which are expected to become more difficult as the baby boom population ages. Mr. Nau outlined the compensation philosophy, as follows:

- The compensation plan is designed to place positions in broad "market ranges" based off the average minimum paid by relevant comparable organizations' starting positions and the maximum amount paid to their most senior staff.
- It is designed to place County positions solidly in the middle of the relevant labor market.
- Comparable organizations are selected based on those whom we hire employees from and lose employees to.

Mr. Nau said that the plan is based off of broad, realistic ranges. He said the goal is to place employees somewhere in the middle of the range, with an emphasis on training, mentoring and career paths. He said one of the goals of the plan is to maintain a total annual turnover rate at 10–12 percent, with a voluntary turnover rate at 8–10 percent. It is also a goal of the plan that individuals who leave employment with the County are those with low-average performance evaluation scores.

Mr. Nau reviewed graphs illustrating employee turnover for a 10-year period and by quarter for the last two years. Vice Chairman Kunasek asked whether the data had been adjusted to account for the severing of the Health System and the high turnover rate of nurses two years earlier. Mr. Nau replied that no adjustments had been made to the data, so the Health System was included in the numbers, but there had been no decrease since the time that the Health Care District was formed.

Mr. Nau reported that about 13,000 positions have been through the market range study and the remaining 750 or so positions will be evaluated during the next fiscal year. In the future, market studies will continue on a two – three year cycle, prioritized by voluntary turnover, vacancy rates, and criticality to public service delivery. Mr. Nau said that funding for market studies this year is extremely tight, so most studies will have to be funded by departmental savings.

In conclusion, Mr. Nau revealed that a new recruiting program called "Start Here, Stay Here" will begin this year. He also said that Workforce Development will be focused on developing career paths over the

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next year. Supervisor Wilcox acknowledged that the next year would be filled with funding challenges and asked that Mr. Nau's presentation be added to the County website.

**TRANSPORTATION IMPROVEMENT PROGRAM**

Item: Discussion of allocation of program reserves to proposed projects to be added to the FY 2007-08 Transportation Improvement Program; MCDOT processes for production of and adjustments to the Transportation Improvement Program; and, challenges to program stability and sustainability by Department Director. (C6407266M00) (ADM2000)

John Hauskins, P.E., Director, Transportation

Chuck Williams, Capital Program Manager, Transportation

Mike Sabatini, Planning Division Manager, Transportation, was also present. He and Chuck Williams gave the presentation. Mr. Williams stated that rapid growth in the County has made it a challenge to keep pace with the demand for services and to provide an efficient transportation system. The Department of Transportation is required to pave rural, dirt roads to reduce air quality issues, but costs for asphalt and gravel have skyrocketed; the cost to pave one mile of roadway is about \$600,000. The Department of Transportation is also responsible for installing and maintaining traffic signals, and widening urban arterials in unincorporated Maricopa County. Mr. Williams said that there has been a dramatic increase in those costs as well.

The strain on the Department's budget has caused the schedules on 26 projects to be readjusted. In addition, Mr. Williams explained that early estimates show that the Regional Transportation Funds, which should have covered about 70 percent of the costs of the Proposition 400 projects, will be insufficient. An anticipated \$300 million shortfall in funds for those projects could mean that either local agencies will have to pick up the remaining costs or projects will have to be scaled back or eliminated.

Mr. Williams reported that, in the past, increases in funding received by the County covered the cost of construction, but now costs are increasing faster than revenues. He said construction costs have increased 43 percent over the last 2 years and are forecasted to go higher. There has also been a 12 – 17 percent increase in right-of-way cost per square foot. At this point, initial Fiscal Year 2008 estimates have exceeded available funds by \$45.7 million. Mr. Williams reviewed a number of new projects built into the Fiscal Year 2008 budget that have had funding frozen due to the anticipated shortfall.

Mr. Sabatini explained that there are a number of projects that have been delayed because funding is not yet accessible, even though they are included in the five-year plan. Supervisor Wilcox asked how funding could be obtained so that work on these projects could begin sooner.

Supervisor Kunasek suggested that maybe the municipalities could donate right-of-way to speed up the process. Mr. Williams responded that most of the right-of-way properties are along MC 85, but there has been very little interest from property owners in selling. Out of thirty-eight offers, three responses were received.

The Board discussed some possible strategies to fund the various transportation projects. Mr. Williams suggested that the Board might want to explore some recent legislation in Nevada and California regarding the formation of improvement districts as a means to address funding dilemmas. Supervisor Wilcox expressed concern about the County encouraging the formation of improvement districts in some areas of the valley and not in others. Supervisor Kunasek commented that each project was unique based on the area and might require the involvement of other entities, such as the Arizona Department of

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Transportation. The Board agreed that more study and discussion needs to take place in order to arrive at creative solutions.

**REGIONAL SCHOOL DISTRICT #509 VOUCHERS/WARRANTS**

The Board of Supervisors, pursuant to its authority granted in A.R.S. §15-1001, will consider for approval vouchers presented by the County School Superintendent of Maricopa County to draw warrants on the County Treasurer against Maricopa County Regional School District #509 School District funds for necessary expenses against the school district and obligations incurred for value received in services (except for payroll vouchers) as shown in the Vouchers. (ADM3814-003)

The Board of Supervisors may consider ratifying any Maricopa County Regional School District #509 vouchers and/or warrants (except for payroll vouchers) approved in accordance with the procedures of A.R.S. §15-321 since the last meeting of the Board of Supervisors. The Board of Supervisors may hear staff reports on the vouchers and warrants being considered. The Vouchers are on file in the Maricopa County's Clerk of the Board's office and are retained in accordance with ASLAPR approved retention schedule. (ADM3814-003)

No vouchers were presented for approval or ratification and no staff updates on regional schools operations and finances were given to the Board of Supervisors at this meeting. (ADM3814-005)

**EXECUTIVE SESSION**

Motion was made by Supervisor Stapley, seconded by Supervisor Wilcox and unanimously carried (3-0-2) to recess and reconvene in Executive Session in the Tom Sullivan Conference Room to consider items listed on the Executive Agenda, pursuant to listed statutory authority, as follows.

**LEGAL ADVICE: PENDING OR CONTEMPLATED LITIGATION – ARS §38-431.03(A)(3) and (A)(4)**

**Compromise Cases** – Barbara Caldwell, Outside Counsel  
Smith, Jennifer

including Bond Forfeiture Judgments in the following cases:

Aranda, Ramiro R.	McBean, John M.
Gurrola, Flavio	Olivas, Angel D.
Hai, Khalil M.	Rodriguez, Freddy R.
Hernandez, Edward L.	Tyler, Truman M.
Ionescu, Nick	Verheyen, Matthew J.
Johnson, Troy James	Webster, James K.
Ketterling, Jonathan	Wiggins, Airon Chas.
Martinez, Vicente	

**LEGAL ADVICE: PENDING OR CONTEMPLATED LITIGATION; SETTLEMENT DISCUSSIONS  
CONDUCTED IN ORDER TO AVOID OR RESOLVE LITIGATION – ARS §38-431.03(A)(3) AND (A)(4)**

**Danny Miller v. Phoenix San-Man, Inc. No. CV2006-007782 (Superior Court)**  
Peter Crowley, Risk Manager  
Ken Proksa, Deputy Director, Public Works, **did not attend**  
Lisa Wahlin, Outside Counsel

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**St. Paul/Travelers v. Maricopa County Arbitration**

David Hendershott, Chief, Sheriff's Office, **did not attend**  
Peter Crowley, Risk Manager  
Mike Frazelle, Outside Counsel

**American Federation of State County and Municipal Employees (AFSCME) v. Maricopa County Board of Supervisors, et al. – CV06-2128-PHSMM**

Sandi Wilson, Deputy County Manager  
David Hendershott, Chief, Sheriff's Office, **did not attend**  
Elizabeth Yaquinto, Director, Employee and Management Development  
Shawn Nau, Director, General Government  
Mark Ogden, Outside Counsel  
Clarisse McCormick, Deputy County Attorney

**LEGAL ADVICE; PENDING OR CONTEMPLATED LITIGATION – ARS §38-431.03(A)(3) and (A)(4)**

**Legal Advice regarding filing of Amicus Brief in appeal from Superior Court decision in Hounshell v. Apache County Board of Supervisors; 1CA-CV06-0728**

David Smith, County Manager  
Sandi Wilson, Deputy County Manager  
Elizabeth Yaquinto, Director, Employee and Management Development  
Daniel R. Malinski, Outside Counsel

**LEGAL ADVICE; PENDING OR CONTEMPLATED LITIGATION; SETTLEMENT DISCUSSIONS CONDUCTED IN ORDER TO AVOID OR RESOLVE LITIGATION – ARS §38-431.03(A)(3) AND (A)(4)**

**Legal Advice and Discussion concerning Settlement Agreements between Maricopa County and Human Services Employees affected by Reduction in Force**

David Smith, County Manager  
Annette Stein, Director, Human Services Department, **did not attend**  
Elizabeth Yaquinto, Director, Employee and Management Development  
Mary Cronin, Deputy County Attorney

**SETTLEMENT DISCUSSIONS CONDUCTED IN ORDER TO AVOID OR RESOLVE LITIGATION – ARS §38-431.03(A)(4)**

**James J. Burke v. ASRS, et al, Pima County cause number 316479**

David Smith, County Manager  
Sandi Wilson, Deputy County Manager  
Brian Hushek, Deputy Budget Director, **did not attend**  
Elizabeth Yaquinto, Director, Employee and Management Development  
Mary Cronin, Deputy County Attorney

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**LEGAL ADVICE; PENDING OR CONTEMPLATED LITIGATION; SETTLEMENT DISCUSSIONS  
CONDUCTED IN ORDER TO AVOID OR RESOLVE LITIGATION – ARS §38-431.03(A)(3) AND (A)(4)**

**Claim of J.L. Health, Inc.**

Kenny Harris, County Engineer and Public Works Director  
John Hauskins, Transportation Director, **did not attend**  
Mike Wilson, Real Estate Division Manager, Public Works  
John W. Paulsen, Deputy County Attorney

**Hidalgo v. Southwest Fastener, CV2006-002356**

Peter Crowley, Risk Manager  
Ted Howard, Claims Manager  
John W. Paulsen, Deputy County Attorney

**Jack August and T.J. August, husband and wife v. Maricopa County**

Bill Scalzo, Assistant County Manager  
Bruce White, Interim Director, Civil Litigation Division  
Randall Garczynski, Deputy County Attorney

**Consideration to purchase currently leased real property in Sunnyslope area**

Tom Manos, Chief Financial Officer, **did not attend**  
Dennis Lindsey, Manager, Real Estate Services  
William Riske, Deputy County Attorney

**LEGAL ADVICE; REAL PROPERTY PURCHASE; CONTRACTS SUBJECT TO NEGOTIATION;  
PURCHASE, SALE OR LEASE OF REAL PROPERTY; SETTLEMENT DISCUSSIONS CONDUCTED  
IN ORDER TO AVOID OR RESOLVE LITIGATION – ARS §38-431.03 (A)(3) (A)(4) AND (A)(7)**

**Resolution to discontinue consideration to purchase downtown property**

Tom Manos, Chief Financial Officer, **did not attend**  
Dennis Lindsey, Manager, Real Estate Services  
William Riske, Deputy County Attorney

**MEETING ADJOURNED**

At the conclusion of discussion on the above items and there being no further business to come before the Board, the meeting was adjourned.

ATTEST:

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Andrew Kunasek, Acting Chairman of the Board

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Fran McCarroll, Clerk of the Board